

MEMORANDUM

TO: Bob Durand, Secretary, EOE
ATTN: Arthur Pugsley, MEPA Unit
FROM: Tom Skinner, Director, CZM
DATE: August 31, 2001
RE: EOE # 12355 – Maritimes & Northeast Phase III and Algonquin
HubLine Pipeline Projects; Statewide

The Massachusetts Office of Coastal Zone Management (CZM) has completed its review of the above-referenced Draft Environmental Impact Report (DEIR), noticed in the Environmental Monitor dated August 8, 2001, and recommends that the following matters be addressed in the Final Environmental Impact Report (FEIR).

Project Description

The proposed project entails construction of a 30-inch high pressure gas pipeline which would bring gas originating from Sable Island, Canada from Maritimes Phase II in Methuen, Massachusetts to Beverly, Massachusetts (Maritimes Phase III). Algonquin is proposing to construct a 29.4-mile, 24-inch high-pressure gas pipeline (HubLine) that will interconnect with Phase III at Beverly, and pass through western Massachusetts Bay to the Sithe Fore River Station in Weymouth, Massachusetts. A 5.4-mile, 16-inch lateral is proposed to fuel the Deer Island Wastewater Treatment Plant. At Weymouth, the HubLine will interconnect with a 24-inch Algonquin lateral that is under construction. The two aspects of the proposed pipeline are being reviewed as a single project. CZM's primary jurisdiction is with the marine HubLine portion of the proposed project.

The applicant is proposing to use horizontal directional drilling (HDD) technology to connect the HubLine to Maritimes Phase III at Beverly, to place the pipeline under George's Island in Boston Harbor, and in the Fore River at Weymouth to connect to the Sithe/Braintree Lateral. In open water, Algonquin is proposing to bury the pipeline three or more feet below the ocean floor, where the bottom is suitable, with conventional dredging, jetting or plowing. Where the proposed pipeline crosses existing pipelines and cables, and where the sea bottom is either bedrock or compacted glacial till, the applicant is proposing to lay the HubLine on the sea bottom and armor it.

Comments

Analysis of the proposed project is complicated by the requirements of the federal review process being conducted by the Federal Energy Regulatory Commission (FERC). The FERC seeks on-going responses from the applicant to questions raised during the review and these responses become part of the official federal record of the project. As a result, a great deal of very valuable information has been provided in multiple increments, however the data has not been formally entered into the state review process. In addition, the DEIR makes reference to documents that have been provided to the FERC but it is not clear that all the reviewers have access to all the information so referenced. CZM has suggested to the applicant that it prepare a matrix of the responses that are part of the official project record and, in cases where important information is referenced in the FEIR, that it be included in an appendix for ready access by reviewers.

Impacts to Marine Resources

Review of the DEIR is further complicated by the fact that some of the most important data applicable to this review, a mile-by-mile assessment of the impacts of the HubLine to marine resources, was distributed with a letter dated August 27, 2001. CZM recommends that these data be incorporated into the FEIR with any modifications suggested by agency comments on the DEIR.

Construction Methodology

In response to a number of negative comments regarding the initial intention to jet the proposed pipeline into the ocean floor, the applicant has committed to plowing the pipeline into a significant percentage of the route. CZM supports the proposed modification. At a meeting on August 6, 2001, at which the plowing method was described, question regarding the length of time that the pipeline would lay unprotected on the ocean floor were raised. CZM recommends that the applicant provide a plan to prevent any accidents related to the pipeline laying exposed during construction and trenching.

Recently submitted material suggests the use of mid-line buoys as part of the anchoring array of the trenching barge. The use of this system appears to significantly reduce the area impacted by anchor lines and CZM supports this proposal.

CZM also supports the applicant's commitment to backfilling over the pipeline rather than allowing drifting sediment to fill in the trench.

Shipping

The recently received mile-by-mile impact assessment includes a suggestion that the HubLine will be buried with up to ten feet of cover through the Precautionary Area. Project impacts to shipping were discussed at a meeting of shipping interests on September 6, 2001. The pilots and Massport representatives identified several additional

anchorage, including Broad Sound, Anchorage #5, an area between Peddock's and Long Island, and Salem Sound, where ocean-going vessels sit at anchor and will need additional depth of cover. CZM recommends that increased depth-of-burial for all of these anchorages be incorporated into the FEIR. CZM strongly supports burial of the pipeline to a depth that will eliminate current or foreseeable future impacts to commercial shipping.

Water Quality

CZM has requested that the applicant provide water quality monitoring protocols and monitoring data, as they become available, for its review. As indicated in earlier comments, CZM is particularly concerned about possible hazardous materials in the "Discontinued Disposal Area" off Marblehead. The applicant's commitment to conduct a sampling program in this area is appropriate.

Endangered Species

The applicant has suggested that the Massachusetts Water Resources Authority's (MWRA) program of pre- and post-blast monitoring for marine mammals is an effective one. CZM strongly urges Algonquin to adopt the MWRA's protocol for protection of marine mammals and sea turtles during any necessary blasting operations.

Alternatives Analysis

Since the FERC completed its review of system and route alternatives for these projects, the Tennessee Gas Pipeline Company (Tennessee) has apparently proposed an additional system alternative for consideration. The FERC's alternatives analysis, which was presented in the Draft Environmental Impact Statement (DEIS), appears to be conclusive; however, Tennessee did not send copies of its proposal to all parties to this review and therefore reviewers (including CZM) cannot evaluate or comment on it. CZM requests that information regarding the proposed system alternative be made available, either by mail to those parties that have not yet received it or in the FEIS/FEIR, along with the FERC's analysis of its feasibility.

Foreign Utility Crossings

Algonquin has provided additional information regarding crossings of existing foreign utilities. Requested information regarding future crossings of the HubLine by new utilities was not included.

South Essex Ocean Sanctuary

In a letter dated December 21, 2000, Commissioner Peter Webber provided comments on the Environmental Notification Form (ENF) for this project in which he identified the information necessary for the Department of Environmental Management (DEM) to determine that the project may be permitted under Section 16 of the Ocean

Sanctuaries Act. The discussion of the South Essex Ocean Sanctuary in the DEIR does not appear to be responsive to Commissioner Webber's letter.

CZM's Federal Consistency Review

CZM has met with the applicant to discuss its response, in the DEIR, to comments regarding CZM's energy policy. The applicant misrepresents the policy, CZM's comments, and the information provided by Algonquin to CZM regarding the Sithe Fore River Project and the Braintree Lateral. CZM has recommended to the applicant that it recognize and respond to the important policy implications of this unique project proposal.

The proposed project is subject to CZM federal consistency review and therefore must be found to be consistent with CZM's enforceable program policies. Statements in the DEIR suggest that the applicant has found the proposed project to be consistent with CZM policies. Please note that CZM makes the determination of consistency in response to information provided by the applicant. For further information on this process, please contact Jane W. Mead, Project Review Coordinator, at 617-626-1219 or visit the CZM web site at www.state.ma.us/czm/fcr.htm.

TWS/JWM

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